

VZCZCXRO6035
OO RUEHCHI RUEHDT RUEHHM RUEHNH
DE RUEHGO #1014/01 2010856
ZNY CCCCC ZZH
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FM AMEMBASSY RANGOON
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4841
INFO RUCNASE/ASEAN MEMBER COLLECTIVE
RUEHBJ/AMEMBASSY BEIJING 1014
RUEHSL/AMEMBASSY BRATISLAVA 0039
RUEHBY/AMEMBASSY CANBERRA 9786
RUEHCP/AMEMBASSY COPENHAGEN 0250
RUEHKA/AMEMBASSY DHAKA 4247
RUEHLO/AMEMBASSY LONDON 1706
RUEHNE/AMEMBASSY NEW DELHI 3434
RUEHFR/AMEMBASSY PARIS 0434
RUEHUL/AMEMBASSY SEOUL 6883
RUEHKO/AMEMBASSY TOKYO 4499
RUEHCI/AMCONSUL CALCUTTA 0831
RUEHCN/AMCONSUL CHENGDU 0834
RUDKIA/AMCONSUL CHIANG MAI 0529
RHHMUNA/CDR USPACOM HONOLULU HI
RUEHGV/USMISSION GENEVA 2770
RHEHNSC/NSC WASHDC
RUCNDT/USMISSION USUN NEW YORK 0412
RUEKJCS/SECDEF WASHDC
RUEHBS/USEU BRUSSELS
RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 04 RANGOON 001014

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STATE FOR EAP/MLS; PACOM FOR FPA

E.O. 12958: DECL: 06/29/2016

TAGS: [PGOV](#) [PHUM](#) [ECON](#) [EAID](#) [PREL](#) [BM](#)

SUBJECT: BURMA,S NGOS OPERATING IN AN UNSTABLE ENVIRONMENT

REF: A. RANGOON 622

[1](#)B. RANGOON 171

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Classified By: Acting P/E Chief Mark B. Taylor for Reasons 1.4 (b, d)

1.(C) SUMMARY: Reflecting the country,s vast humanitarian needs, according to an NGO registry compiled in mid-2005, there are now 50 international NGOs (INGOs) operating in Burma. Focused largely on health care (particularly HIV/AIDS, malaria and tuberculosis), as well as basic community development and education, this INGO influx has occurred despite general regime suspicion and hostility to INGOs and an unstable operating environment. The regime,s heightened xenophobia gives most INGOs a more uncertain future in Burma.

Local and expatriate staff face increasing restrictions on their movements, directed from both the new capital in Naypyitaw and from autonomous regional military commanders. INGOs are facing tough decisions this year on whether to accept reduced effectiveness under worsened conditions or to pack up and leave. END SUMMARY

2006 GOB Guidelines for NGOs

2.(C) In February 2006, the GOB floated a new set of guidelines for the operation of UN agencies and the 50 INGOs in-country. (see reftels) Inconsistencies between the Burmese and English versions created confusion that the regime has done little to resolve.

3.(C) To date the government has not moved seriously to implement the guidelines, much to the relief of UN agencies and INGOs. The INGOs and UN agencies have formed a forum, lead by UNDP, to meet once a month to track the GOB,s

behavior towards the foreign organizations and to discuss common concerns. In discussions with Emboffs, some INGOs told us that the Ministry of National Planning and Economic Development, the purported author of the new guidelines, has found itself inadequately prepared to implement them with its small and inexperienced staff. Others believe it the new guidelines were an uncoordinated effort by a small number of officials, who now find less support with regime leaders. INGO representatives claim that the guidelines were already disseminated to all regional military commanders, but were not accompanied by any particular instructions or tasking, so local authorities are either ignoring them or assume they are to be implemented exclusively by Naypyitaw.

Will The &3 D Fund8 Set The guidelines?

4.(C) Some UN and INGO observers point to the new European donor-led &3 D Fund8 to address HIV/AIDS, malaria, and TB in Burma (replacing the Global Fund on HIV/AIDS) as setting de facto operational guidelines for the broader community of foreign assistance organizations. The &3 D Fund,8 while not yet formally launched, has been approved reportedly by the GOB, along with less restrictive conditions on expatriate access, accountability, and transparency, upon which onors insisted. More cynical observers note that these provisions were already in many of the individual INGO MOUs previously signed by the regime, but are not always honored.

Expatriate Staffing) the Key Issue

5.(C) In the absence of clear guidelines from the central government and with varying degrees of restrictions imposed by local army commanders, international NGOs must decide by

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themselves where to draw the line on their role and staff mobility and the level of restrictions from local commanders they are willing to accept. Some NGOs do not feel any need to place expatriate personnel in the field. Washington DC-based Population Services International (PSI), for example, relies largely on its Burmese staff to implement its anti-AIDS and anti-malaria prevention work and its social marketing of condoms, water purification agents, and mosquito repellent bed nets throughout rural Burma. Visiting the PSI office in Kengtung on July 13, Emboff found the four-member Burmese staff highly competent and engaged in building strong relationships with rural/ethnic communities, despite the local commander,s recent requirement of clearances for all of their travel and activities. Others, such as the various affiliates of Medicins San Frontiers (MSF), place a higher priority on having expatriate doctors working in field clinics. It was the GOB,s refusal to fully satisfy this requirement last year for MSF-France, which was operating clinics in the highly sensitive Mon and Kayah states, that forced MSF-France to leave Burma.

6.(C) Experiences differ radically on this issue. AZG (MSF/Holland), one of earliest INGOs to establish in Burma, is able to station expatriate doctors at 16 different sites throughout the country, including sensitive Hpakant (a site of jade mines) and Myitkyina in Kachin State. This achievement, however, took several years of effort, according to AZG director Frank Smithuis (strictly protect), who has worked in Burma for over 13 years. He disclosed that the GOB frequently attempted to interfere with his expatriate doctor,s work in the field, and on several occasions, AZG had to tell the regime that it would close down if its expatriate staff were denied access to clinics AZG had set up up-country. Each time the bluff worked, and the regime backed down.

Political Litmus Tests

7.(C) AZG,s director also disclosed to Emboff that the Minister of Health recently questioned whether AZG provides medical services to any NLD members and requested, on behalf of more senior regime officials, that AZG provide formal assurances that it would not provide any aid to NLD members. Smithuis told the Minister that AZG provides service to all those in need, and does not inquire about a potential patient,s political affiliations. He also reminded the Minister that AZG has provided care to soldiers in the Burmese Army. On several separate occasions since, Smithuis says that Ministry of Health officials have asked for the names of any local AZG employees who are NLD members. Smithuis has refused to respond, pointing out that he has no way of knowing the political affiliations of individual employees, since this is not something AZG requires. The ministry has attempted to deny registration of some Burmese doctors employed by AZG, but Smithuis stated that he overcame these hurdles by enlisting local military commanders, support for the AZG clinics where the doctors work.

Capricious Rules from Commanders

8.(C) Regardless of the type or style of work, all NGOs operating outside of Rangoon have felt the long arm of military commanders, who have grown in power in recent years. INGOs often have to seek the blessing of relevant local army commanders before they can begin operating a project or open an office in areas under the commander,s control. Some NGOs have learned this lesson the hard way, with ongoing

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operations shut down or stalled by a local commander. One NGO, appealing such a restriction with a regional commander, showed the military leader a copy of the NGO,s valid MOU with the Ministry of Health. The commander retorted: &That,s the national government. I didn,t sign it.8 In some cases, the local military commanders have facilitated INGOs, especially if they venture into areas not covered by an MOU.

9.(C) While Burmese staff of INGOs do not need central government permission to travel in-country, many find that local military commanders insist on being informed or providing approval for field travel in their relevant region. While visiting PSI,s Kengtung office in Shan State, operated entirely by local staff, we were told by health workers that they must apply for permission from the regional commander,s office ten days in advance of any travel outside of town. This requirement started four months ago, they stated, and has significantly hurt their ability to carry out many of their HIV/AIDS and malaria prevention projects.

MOUs Lose Value, But Still Required

10.(C) In the Khin Nyunt era (prior to 2004), most INGOs sought to secure their operations in Burma through memoranda of understanding with the GOB ministry(s) relevant to their field of work. These MOUs, usually drafted and signed in English, served the dual purpose of providing the NGO with formal GOB approval for its work and securing cooperation of the ministry,s field level staff in implementing programs. MOUs usually specified the geographical areas (and limitations) of the NGO,s work. Starting in 2005, some NGOs were instructed to obtain additional MOUs from the Ministry of National Planning and Economic Development, which the 2006 regulations tried to mandate.

11.(C) Today most INGOs find their old MOUs carry little weight with the national government and are already considered invalid by local commanders. Most MOUs include provisions allowing INGOs to import goods and equipment (including vehicles) for project implementation. Every INGO we contacted in the last month said that this key provision of the MOUs is not being honored. Save the Children and

World Vision told us that they cannot import vehicles, and that even medicines are now very difficult to get through Customs.

12.(C) Similarly, while access to project sites by expatriate and local staff is specified in most MOUs, INGOs and UN agencies face more stringent requirements for greater advance notification of intentions to travel. World Vision and PSI staff recent told Emboff in separate meetings that their proposed expatriate staff travel now requires six to eight weeks advance notification to the GOB. The expatriate staff must then wait for explicit approval to be given by the government, often just prior to the planned trip. Furthermore, they have no flexibility in a planned itinerary; any change in date or routes requires a new six-to-eight week advance notification.

13.(C) This had led most NGOs to rely much more heavily on Burmese staff for field visits. Our visit to one of World Vision,s field offices found that the last time one of the INGO,s expatriate staff had been there was in early 2005. While some NGOs express confidence in their local staff,s ability to implement and monitor projects with minimal expatriate oversight, others recount tales of increased GOB pressure on local staff when expatriates are not around. The

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office of the regional commander in Mandalay recently attempted to obtain a list of all local employees, including the names of their parents and ther national identify numbers, of a foreign NGO operating in the city.

14.(C) The past two years have placed many INGOs in a difficult dilemma, facing the termination of their old MOUs and unable to draft new MOUs that adequately cover their current work. Some feel they had no choice than to continue working under an expired MOU or to &stretch8 existing MOUs to cover expanded work in functional or geographical areas not covered by the original agreement. Although MOUs stipulate where the INGO can operate, the partnering GOB ministry will not defend the INGO if a local military commander attempts to block the INGO,s work in the relevant area. World Vision in July 2005 saw its Mandalay drop-in center for street children unexpectedly shut down by the regional commander, who did not like to see the foreign NGO operating in that neighborhood. Since World Vision,s Mandalay center was not specified in its existing MOU, the INGO could not push back on the case through the Ministry of Health. However, World Vision and other INGOs told us that even armed with a valid MOU, the Ministry of Health is loath to defend a foreign NGO in an argument with a regional commander.

15.(C) COMMENT: Conditions for the operation of UN agencies and INGOs have never been great, but they are increasingly uncertain. The lack of clear signals from Naypyitaw and the power of regional commanders forces INGOs to forge informal agreements that can suddenly change when the commanders transfer. Even Naypyitaw approval to work in Burma means nothing if the local commander is against a project. While the regime may have postponed broad implementation of its February 2006 guidelines, INGO staff find it ever harder to travel and import needed materials. As their ability to deliver assistance to targeted communities is increasingly threatened by the GOB,s unpredictability and hostile working environment, many of the 50 INGOs are asking the tough question this year of whether to stay or pack it in. END

COMMENT
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